

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance • • Administration • • Executive/Legal • • Enforcement
(916) 322-5662 322-5660 322-5901 322-6441

August 28, 1985

Carol Flynn
Rutan & Tucker
611 Anton Boulevard #1400
Costa Mesa, CA 92628

Re: Your Request for Assistance
Our File No. A-85-187

Dear Ms. Flynn:

Enclosed are the various opinions and advice letters you requested. As we discussed on the telephone, the Political Reform Act provides that when an official or his spouse has a 10% or greater ownership interest in a business entity, sources of income to that business entity are considered sources of income to the official. Government Code Section 82030(a). Thus the clients and customers of a business are sources of income within the meaning of Government Code Section 87103(c) to an official who has a 10% or greater interest in the business assuming the \$250 threshold is met.

Please feel free to call me if I can be of further assistance.

Sincerely,

A handwritten signature in cursive script, reading "Diane Maura Fishburn".

Diane Maura Fishburn
Staff Counsel
Legal Division

DMF:plh
Enclosures

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August 14, 1985

Robert E. Leidigh, Esquire
Legal Division
State of California Fair
Political Practices Commission
P.O. Box 807
Sacramento, CA 95804

Re: Request for Written Advice (Government Code §83114(b))
Acceptance of Social Memberships in a Private Country Club by
the City of Vista, California

Dear Mr. Leidigh:

We represent the City of Vista, California and in that capacity render City Attorney services to said City. We hereby request formal written advice pursuant to Government Code §83114(b) concerning the acceptance of social memberships in a private country club by the City of Vista.

Daon Corporation ("Daon") is the owner and operator of the Shadowridge Country Club ("Club") within the City of Vista. Initially, the Club was operated as a public facility. Daon has recently converted the Club to a private membership facility. Members of the City Council, the City Manager and various City Department heads used the clubhouse facilities for official activities during the time that the club was operated as a public facility. Daon wishes to make a gift of social memberships to the City to allow continued use of the facility by City Officials.

We have prepared a Resolution of Acceptance for adoption by the City Council. We believe the Resolution complies with the criteria set forth in the Stone Opinion of the FPPC, reported at 3 FPPC Opinion 52. We have enclosed a copy of the Resolution for your review.

We are particularly concerned with whether or not the gift as currently structured creates a conflict of interest for the members of the City Council, the City Manager or the City Department heads and Daon. Additionally, we inquire as to whether or not the members of the City Council, the City Manager or the City Department heads must report the use of the club as a gift.

Robert E. Leidigh
August 14, 1985
Page Two

Please provide to the undersigned the written advice as requested at your earliest convenience. Should you have any questions or need further information, please call.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ronald E. Null", written in a cursive style.

RONALD E. NULL

REN:lr

Encs.

cc: Morris Vance